

**MINUTES**  
**PROPERTY TAX RULES COMMITTEE**  
Thursday July 19, 2018, at 9 a.m.

Welcome & Introductions

*Committee Chair Alan Dornfest*

Approval of Minutes – July 12, 2018

*Steve Fiscus – motion to approve*  
*Rick Anderson - second*

Rules Status Report

*Rick Anderson*

Discussion of Rules:

**Rules 613, 614 – Speculative Value for Agricultural Land and Examples**

The chair stated that there were non-substantive changes made to the rule draft. The chair related the impetus for working on these two rules came from Mr. Ray Moore (Twin Falls County farmer) who sent the State Tax Commission (STC) a petition. The substantive portion of the rule are directly related to the petition. The chair noted the land value problem existed notwithstanding this rule. He asked Kathlynn Ireland (STC, subcommittee chair) if she and the County Assessors saw it that way. She said yes and that we had an opportunity with Mr. Moore to provide more clarity.

Kathlynn Ireland went through the changes one by one, as the group discussed each. She noted Russ Hendricks was very generous to work on these amendments with the subcommittee and it ensured the data is from local farmers. She also commended the efforts of the Farm Bureau on these rules. She stated that conversations on the rule drafts could continue during the comment period if the drafts were approved today.

Alan stated we tried to be respectful and responsive to Mr. Moore's petition and all his time. In light of that, he doesn't want to put it on the back burner.

Steve Fiscus – motion to approve with today's amendments

Kathlynn Ireland – second

Vote – one member absent with no proxy, two votes NO, 6 votes YES, one (the chair) abstained

The chair stated we need to continue discussion on these rules in the future.

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**Rule 600 – Property tax exemption – Provisional exemption (HB559)**

The committee discussed this rule as it pertains to churches that start building in one year but property unrelated to the construction stays on the roll until the next year. The chair referenced the memo written by Chairman Ken Roberts (STC) and George Brown (Deputy

Attorney General). Brian Stender reported the assessor's group had no problem with this. The chair stated the goal was to provide guidance where we can. The committee discussed the use of the word "assessed" versus "taxed". Joe Cox (Canyon County Assessor) asked the chair to leave the word "taxed".

Brian Stender – motion to approve

George Brown – second

Vote – unanimous in favor

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### **Rule 630 – New Capital Investments – adds operating property, (HB591)**

The chair said he tried to answer Terry Accordino's (Micron) and Ken McClure's (Givens Pursley) comments in this new draft.

- Section 03: The chair noted that section 03 was written for taxpayers with both locally and centrally assessed property and he used much of Ken's language.
- Section 06: The chair asked if we should also add that we will notify taxpayers and Terry said yes. Ken asked about the process to do that. Jerott Rudd (STC) brought up the difference, in 03(a), for compliance for locally versus centrally assessed property.
- Section 07: The committee discussed removing the word "project" from the title. Terry Accordino noted that subsection a is the default. The committee discussed the process and how it related to each of the subsections in section 07.

Terry asked the chair to clarify all the changes the committee had agreed to make on this rule today.

George Brown – motion to approve

Brian Stender – second

Vote – unanimous in favor

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### **Rule 702 – Veteran's Benefit – Continued Eligibility After Death of Claimant (HB492)**

This rule is intended to be in place for next year with a January 1, 2019 effective date. The committee discussed if this was doable. The chair doesn't want to do a temporary rule. Pam Waters stated it won't preclude anyone from applying. The chair emphasized he didn't want the counties to turn anyone away who applies.

Brian Stender – motion to approve

Janet James – second

Vote – unanimous in favor

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### **Rule 962 – (HB462) Forest Land Taxation Rule – Re-classification process to be determined by the Committee on Forest Land Taxation Methodology**

The chair reported that the CFTM approved the July 11, 2018 version of this rule. Five county and five industry members were there or represented by proxy. The chair stated he was

putting their draft before the rules committee in view of the CFTM's strong support and almost no opposition. Dave Ryals (Boundary County Assessor), made some comments but suggested to the committee that they move this along. Brian Stender inquired if the CFTM talked about document retention. The chair noted the rule can't be enforced until the legislature adjourns, about April 1, 2019.

Steve Fiscus – motion to approve

Brian Stender – second

Vote – unanimous in favor

The chair said if there were other concerns as we go along, changes can still be done.

The chair stated this was a collaborative effort where everyone had their input and it was a negotiated rule process that worked.

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*For more information, please contact the Committee Chair, or the Rules Coordinator, at [kimberlee.stratton@tax.idaho.gov](mailto:kimberlee.stratton@tax.idaho.gov) or at 208.334.7544. Rules related documents are posted on our website.*